

### Itinerary of Congressional Staff Trip 20190813-20190822

Date/Time	Day	Location	Time Period	Time	Activity Type	Activities
13-Aug	Tuesday	Washington DC			Flight	Departure
14-Aug	Wednesday	DC – BJ	CA818, ETA 18:25		Flight	Arrival in Beijing
15-Aug	Thursday	Beijing	Morning	09:00-10:00	Official Visit	Briefing at American Embassy
			Afternoon	13:30-16:00	Institutional Visit	Visit the Charhar Institute
		Beijing-Shenyang	CA1625, 19:05-20:35	19:05-20:35	Flight	Fly to Shenyang
16-Aug	Friday	Shenyang	Morning	08:30-10:00	Institutional Visit	Visit Northern Heavy Industry Group Co., Ltd (SOE)
				10:30-11:30	Institutional Visit	Visit Shenyang Yuanda Enterprise Group (private enterprise)
			Noon	12:00-14:00	Official Visit	Meeting and lunch with officials form Shenyang City
			Afternoon	14:30-16:00	Institutional Visit	Visit American Chamber of Commerce in China
				16:30-17:30	Cultural Visit	Visit Shenyang History Museum of September 18th Incident
17-Aug	Saturday	Shenyang	Morning	09:20-10:34	Cultural Visit	Visit the Shenyang Palace Museum
			Afternoon	09:30-11:30	Cultural Visit	Visit Shenyang History Museum of September 18th Incident
		Shenyang-Dalian	G8018, 17:16-19:34	17:16-19:34	HSR	HSR to Dalian
18-Aug	Sunday	Dalian	Morning	09:00-10:30	Cultural Visit	Visit Dalian Laohutan Ocean Park
			Afternoon	11:00-12:00	Institutional Visit	Visit Dalian City Planning Exhibition Hall
19-Aug	Monday	Dalian	Morning	14:00-17:00	Cultural Visit	Visit Binhai Road, Xinghai Square and Zhongshan Square
				09:00-11:00	Institutional Visit	Visit Dalian Jinpu New Area (Dalian Area of China Pilot Free Trade Zone)
		Dalian-Beijing	Afternoon	11:30-13:00	Official Visit	Meeting and lunch with officials form Dalian City
			CA8907, 19:10-20:35	14:00-15:30	Institutional Visit	Visit Dalian High-tech Park
20-Aug	Tuesday	Beijing	Morning	19:10-20:35	Flight	Fly to Beijing
			Afternoon	09:30-11:00	Cultural Visit	Visit National Museum of China
			Noon	12:00-13:00	Official Visit	Visit the Department of North American and Oceanian Affairs
			Evening	14:00-16:00	Institutional Visit	Visit Alibaba Group
21-Aug	Wednesday	Beijing	Morning	18:00-19:00	Official Visit	Attend CPIFA Banquet
			Afternoon	09:30-11:30	Cultural Visit	Visit the Great Wall
			Afternoon	14:30-16:30	Cultural Visit	Visit the Forbidden City and Tiananmen Square
22-Aug	Thursday	Beijing – DC	CA817, ETD 12:45	17:00-19:00	Cultural Visit	Visit Wangfujing Street (Roasted Peking Duck Dinner)
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In preparation for a meeting in Beijing on August 15th, 2019, with the Charhar Institute, a think tank, the US-China Transpacific Foundation (UCTPF) prepared background information to assist delegation members.

Capitol Counsel, representing the Foundation, transmitted the information in the attached filing, but did not, in any respect, prepare these materials.

The questions to which UCTPF responded were prepared by the Charhar Institute. Capitol Counsel played no role in preparing these questions.



## Possible Questions for Chinese Delegation to Ask:

*1. Right after the China-US negotiations in Shanghai on July 31, the United States imposed tariffs on China again and listed China as "currency manipulator". Will this delay the China-US negotiations? Under what kind of circumstance can both sides resume the negotiations? Or does it mean that the China-US negotiations have broken down and will not resume in the future? Has economic and trade cooperation no longer been the stabilizer and ballast of the China-US relations?*

### Background

- **The US Chamber of Commerce**, which represents more than three million US companies, said the latest tariffs on China **"will only inflict greater pain on American businesses, farmers, workers and consumers, and undermine an otherwise strong US economy"**. And It urged the two sides to remove all tariffs.
- Mr Trump's **former chief economic adviser**, Gary Cohn, said in a BBC interview that the tariff battle was having a "dramatic impact" on US manufacturing and capital investment. The resulting tensions have also influenced the US central bank, the Federal Reserve, which cut interest rates on Wednesday for the first time in a decade. Fed chair Jerome Powell said it was not the central bank's job to criticise US trade policy, but added that trade tensions had "nearly boiled over" during May and June.

Despite the intensification of the trade and currency fights between the U.S. and China, President Donald Trump remains open to a deal that would lead to flexibility on tariffs, White House economic advisor Larry Kudlow said Tuesday.

"The reality is we would like to negotiate," Kudlow told CNBC's "Squawk on the Street" during a live interview. "We're planning for the Chinese team to come here in September. Things could change with respect to the tariffs."

"The American economy is in great shape. It's booming, there is no inflation," Kudlow said. "We're in terrific shape. The Chinese, regrettably, are not." He added: "The Chinese economy is crumbling. It's just not the powerhouse it was 20 years ago."

*2. The US side once again breached its commitment and imposed tariffs on China again recently. Is this Trump's "extreme pressure" strategy towards China a choice just based on his re-election consideration or a choice indicating that a fundamental shift in Washington's strategy towards China has emerged? Have the advocates of containment and engagement in the US government or Washington reached consensus on their final*

*strategy towards China? Or does this mean that the advocates of containment are in a dominant position now and the advocates of engagement have given up their ideas? What's the U.S. Congress's standing point on its policy towards China? Does the U.S. Congress agree with President Trump and his administration's policy towards China? There is a saying on the relationship between China and the United States that it is like the "husband and wife relationship in a marriage". Does this analogy still make sense now? Has the China-US relationship changed fundamentally and can't go back anyway? Will China and the US "decouple"? And have the two countries fallen into a "New Cold War"?*

## Background

### ✧ Re-election

President Donald Trump's trade war is slamming the stock market and risks damaging the global economy, as well as his own reelection chances, according to Strategas head of policy research Daniel Clifton.

"Without a better economy, it's hard to see how he wins reelection. I'm not sure a muddle-through works. He needs better," said Clifton.

"While the world waits for a Trump put, you're really going to wait for the next data point from the Federal Reserve. It's going to be the Powell put that comes into effect," said Clifton. Fed Chairman Jerome Powell was criticized by Trump last week for not cutting rates deep enough. Markets took Powell's press briefing as hawkish, following the Fed's first rate cut in more than a decade. But since Trump upped the ante in the trade war Thursday, markets are expecting about two more cuts this year.

### ✧ New Cold War

The terms of debate about China as a rising power has taken a turn for the worse in the US. There is loose talk of a new cold war, focused on the **arms race in areas such as artificial intelligence**. This winner-takes-all approach is dangerous. Cooler heads should be thinking about new rules of the road on **cyber security and cyber-arms**.

Those in Beijing who think that they can simply wait for Mr. Trump to leave office underestimate how deep these sentiments run in the business community as well as policymakers. Mr. Trump, whether wittingly or not, has unleashed forces he will struggle to control.

There may be a temptation in Washington to believe that the US economy will ultimately prevail in the tariff war. This may be true in the medium term, but the cost will be high. Separating China from trade supply chains will hurt Beijing but splinter technology. The domestic labor market, which added 164,000 jobs in July may be resilient, with the unemployment rate falling to a 49-year low in April. But the woes



of the US manufacturing sector, which has now contracted for two consecutive quarters, are indisputable.

Returning to a status quo ante bellum looks difficult. Both sides need to re-evaluate their positions. Mr Trump should modify his aggressive unilateralism and work with others to pressure China. Mr Xi should commit to limited concessions around the treatment of foreign investors and intellectual property rights. Movement is vital. The hardening of positions will lead to fallout across the world.

### ✧ Congress attitude

#### **Global tariffs.**

The new chair of the Ways and Means Committee, **Richard Neal (D-MA), has been supportive of Trump's intentions in imposing new tariffs but critical of the process and lack of congressional input.** Democrat control of the committee is certain to increase the level of oversight, including more exacting hearings and demands for information. On the Senate side, **the new chair of the Senate Finance Committee, Chuck Grassley (R-IA), has also expressed concerns about the president's use of Section 232 and has vowed to take up the issue in his committee.** 5 High-profile legislation has also been introduced. On the pro-trade side, bills to restrict the authority given to the executive to impose tariffs have been reintroduced. On the other side of the issue, a bill has been introduced in the House entitled the "U.S. Reciprocal Trade Act" to give the president even greater discretion to impose tariffs to address what he sees as unfair trade. President Trump expressed support for the latter in his 2019 State of the Union address. Neither the changes in committee chair nor the legislative initiatives will fundamentally alter the dynamic that dominated the previous Congress. This is because on the House side Democrats generally support the protection of American industry, but for political reasons they need to publicly oppose Trump. On the Senate side, Republicans generally oppose the president's tariffs and so will not give him authority to impose more, but for political reasons they will not challenge him. Although there will continue to be behind-the-scenes pressure in favor of free trade, it will be muted by the Republicans' loss of control over the Ways and Means Committee.

#### **Chinese trade practices.**

Because concerns about Chinese trade practices—particularly the coerced transfer of U.S. intellectual property—are so widely shared on Capitol Hill, the Trump administration's aggressive approach to China will not likely be as controversial during the 116th Congress. It will become even less so given the 2020 presidential election. As of this writing, the Trump administration is in negotiations with Beijing on a deal that could result in at least the indefinite freezing of tariff increases on both sides and some liberalization of market access on the Chinese side. Critically, if completed, this agreement would address the underlying intellectual property issues and establish a vigorous process for addressing other issues in the economic relationship. Commercial transactions, such as bulk purchases of produce, will likely

also be an element of any deal. The impact on Congress of such a deal would be a wash. On the one hand, it would lessen pressure on the administration from senators and representatives from agriculture states whose constituencies have been most affected by Chinese retaliation. On the other, election year politics would provoke criticism from Democrats that the president has gone soft on China and failed to deliver for American workers.

*3. How are the feats of the two sides in the China-US trade war so far? How do you evaluate the two sides' gains and loss in the trade war? Is it true that the words repeated by Trump and his administration many times that the imposed tariffs have been "paid" by China and that the United States is having an upper hand now in the trade war? What impact will China's retaliatory measures against American agricultural products have on Trump's re-election?*

## Background

### ✧ IMF Report

In a new report published Friday by the executive board at the IMF, directors recommended a "comprehensive" agreement on trade that avoids "undermining the international system."

The report outlined tariff-related headwinds for China's economy. Directors emphasized that China would benefit from "further opening up of the economy and other reforms that enhance competition." The country's GDP growth slowed to 6.6 percent in 2018 and is projected to moderate to 6.2 percent this year, according to the IMF. China's planned stimulus was offset by the U.S. imposing tariffs on \$200 billion of Chinese goods.

The IMF said trade tensions have "inevitably affected" the Chinese economy, "but the impact is manageable." "While a moderate slowdown is expected in 2019, uncertainty around trade tensions remains high and risks are tilted to the downside," the IMF directors said

### ✧ Bloomberg Research

Bloomberg economists Dan Hanson and Tom Orlik have mapped out the main scenarios. Their headline conclusion: If tariffs expand to cover all U.S.-China trade, and markets slump in response, global GDP will take a **\$600 billion hit in 2021**, the year of peak impact.

Link: <https://www.bloomberg.com/graphics/2019-us-china-trade-war-economic-fallout/>

*4. Compared with the "Asia-Pacific Rebalancing" strategy initiated by the Obama's administration, is the "Indo-Pacific" strategy of Trump's administration a freshly new one or just like the 'old wine with a new bottle'? What are the new points in the "Indo-*



*Pacific” strategy? From imposing tariffs to banning ZTE and Huawei, to putting pressure on the World Trade Organization (WTO) to abolish China's status as a developing country, to listing China as a "currency manipulator", to seeking to deploy medium-range ballistic missiles in Asia, do all these pressure or containment measures imposed by the US on China mean that China and the United States are not only fighting a trade war, but a war of science and technology, and a war of finance, or even a war that will be escalated possibly into a hot war in the future?*

## Background

The Indo-Pacific constitutes the geostrategic center of gravity for the world's economic, political, and security balance of power, and its influence will only grow during the 21st century. **The Trump administration has defined the Indo-Pacific as a region marked by the struggle between the forces of freedom and openness, represented by the United States and its allies, and the forces of repression and coercion, represented by China and North Korea.** This frame exaggerates the very real differences between the U.S. and Chinese approaches to the region, and by **suggesting that nations must choose sides**, could hamper U.S. efforts to accomplish the objectives outlined by the Trump administration: strengthening alliances, promoting rule of law, encouraging free trade, and building a “strong defense network” to safeguard vital U.S. security interests. The 116th Congress should view the Indo-Pacific through a non-distorting variable focal-length lens. This lens should have sufficient wide-angle capability to capture a vital issue neglected by the latest National Security Strategy (NSS): climate change. But it must also have adequate telephoto capability to zoom in on other issues of urgent concern, including not only the United States' very real competition with China and to a lesser extent Russia for regional influence but also the opportunities to cooperate on areas of mutual interest, such as climate change and the dangers posed by North Korea's nuclear weapons ambitions. This brief examines the fluid security environment of a region now being described as the “Indo-Pacific” by many U.S. foreign policy specialists. After identifying key issues on which the 116th Congress could usefully focus as it performs its constitutional role of oversight of the Trump administration's foreign policy, the concluding section attempts to map out the broad parameters of a successful U.S. approach to this dynamic region.

The chief obstacles to forging an effective strategy toward the Indo-Pacific are those generated domestically—**the difficulty of sustaining high-level attention and nurturing strong relations not only with treaty allies and partners but also with China and Russia.** The task is made even more daunting by the need to adapt U.S. strategy to suit the unique circumstances at play across the diverse Indo-Pacific region—sometimes working in concert with China or Russia, other times competing for markets, security partners, and political influence. The implicit threat animating much of the U.S. approach to the region—that China might one day supplant the United States as the region's preeminent power—is overstated, especially when one considers the alliances upon which Washington can draw. For the foreseeable



future, no one foreign power can hope to expel the United States from the Indo-Pacific or replace the international order that it has long-defended in concert with like-minded nations, unless the United States chooses unilaterally to cede the field. Rather than focus on devising a strategy to win a zero-sum struggle with China or Russia, the United States should instead concentrate on identifying ways to advance its own interests, especially when those goals align with the core interests of other great powers. Washington can build on common ground when addressing the near-term threat of North Korea and the slow-moving but still urgent crisis of climate change.

A few steps worthy of consideration by the 116th Congress to add substance and impact to the administration's emerging Indo-Pacific strategy include the following:

- Congress should convene hearings on U.S.-China relations to test assumptions and identify potential areas for cooperation, including achieving the denuclearization of the Korean Peninsula and mitigating the impact of climate change.
- It should support reconvening the six-party talks both to pursue the complete and verifiable denuclearization of the Korean Peninsula and to coordinate regional efforts to build a more secure, cohesive, and prosperous Northeast Asia. The newly configured six-party talks should include a working group chaired by Russia examining energy security and climate change.
- Congress should appropriate resources to complement the military pillar of the rebalance to Asia with a robust civil-society pillar, leaning heavily on existing mechanisms—such as USAID, the Asia Foundation, the East-West Center, the Japan-U.S. Friendship Commission, Fulbright fellowships, and domestic investment in foreign languages and area studies—to strengthen U.S. capacity to understand and engage the nations of the Indo-Pacific.
- Congress should hold hearings to consider the provisions of the Green New Deal, with an eye toward moving the United States more rapidly toward renewable energy and fossil fuel-free transportation by 2050.<sup>12</sup> It should also leverage U.S. commitments to extract comparable investments from China, seeking wherever possible to assist Beijing in meeting its commitments through the profitable sale of U.S. goods and services

*5. With the implementation of full-scale containment policies toward China by the United States, will this trigger a real geopolitical confrontation between China and the United States in the future? Will the two sides play a fierce competition game in Southeast Asia, the Middle East and Africa? How will countries in these regions then choose between China and the United States under such a circumstance? Will they remain neutral or take sides? Apart from the competition, is there any possibility for China and the United States to cooperate in the above-mentioned areas?*

## Background

### ✧ Middle East



China has replaced the UAE as the main investor in the Middle East, focusing on energy. However, \$3.5 trillion dollars of future opportunities in the Middle East are awaiting Asian investors – from infrastructure projects, to tourism, to industry, says Nasser Saidi, the former Chief Economist of the Dubai International Financial Center and the former Lebanese central banker.

If the U.S. is slowly disengaging from the Middle East, will China necessarily fill the void? The answer is a qualified yes. First, because **the Belt and Road Initiative (BRI) is the most ambitious geopolitical and geo-economic program since the Marshall Plan, and surpasses it in scope and costs.** The Marshall Plan dealt with the rebuilding of Europe only, while the U.S. also helped raising Japan from the ashes of World War II. It was limited in time to four years.

Second, Beijing is aggressively bolstering its Near East presence. China is already building strategic partnerships with countries from Algeria to Saudi Arabia to Iran, Iraq, and the UAE. It is targeting major OPEC and Gulf Cooperation Council members, while also focusing on U.S. allies, like Israel, Jordan, Qatar, and Egypt.

**China already maintains a sizeable military base in Djibouti, at Bab-el-Mandeb, the entrance to the strategically important Red Sea,** which leads to Suez Canal, one of the three principal choke points of global naval routes (the others being the Strait of Malacca, and the Panama Canal). Djibouti is also home to an American Naval Expeditionary Base, Camp Lemonnier, just 11 kilometers away. The two opposing bases present a fitting metaphor of competing national interests on the African continent. Chinese and American forces have even engaged in laser skirmishes there, where China deployed high energy lasers to blind U.S. pilots. This is just a telltale symptom of things to come.

**China is deploying its economic and diplomatic power in the Middle East first, while the military involvement may come later:** the launch of the petro-yuan, which will exclude the dollar; massive Chinese advantage in mobile payment tech which would allow 85 million “unbanked” people in the Middle East to integrate in business and financial activities; the growth of Chinese tourism to the Gulf; the involvement of Chinese Muslim communities with the Middle East – all discussed at the Singapore conference in great detail. These will be the tools used by Beijing to expand its influence from Morocco to Muscat – and beyond.

#### ✧ Southeast

China's geopolitical ambitions and growing military capabilities and the Southeast Asian states' perceptions of a rising China will play a crucial role in shaping the future of Southeast Asia and the U.S. military posture in the region. The authors examine the role of regional states in developing a hedge against the possible emergence of an overly aggressive China. They find that **rather than confronting a conventional attack, the United States and the Southeast Asian countries are likely**



to find a continuation of China's creeping irredentism and ambiguous threats. Southeast Asia is likely to prove a critical testing ground for **a third way of dealing with China's rising power** — what in other RAND work has been called a policy of **conengagement** — that seeks to integrate China into the international system while both deterring and preparing for a possible Chinese challenge. The report recommends that the United States adopt an incremental approach to this hedging strategy, focusing on peacetime military engagement with Southeast Asian states, development of a more robust and diversified network of access arrangements, and strengthened military ties with the Philippines, Singapore, Thailand, Malaysia, Indonesia, and Vietnam.

Original Link: [https://www.rand.org/pubs/monograph\\_reports/MR1170.html](https://www.rand.org/pubs/monograph_reports/MR1170.html)

#### ✧ Africa

##### 'A robust alternative' to the Chinese model

Experts say there are several reasons why the US is upping its investment game in Africa now. Part of The United States International Development Finance Corporation (DFC)'s stated mission is to "provide financially sound alternatives to state-led initiatives from countries like China" and to help countries "sidestep opaque and unsustainable debt traps being laid by Beijing throughout the developing world".

Africa is also the focus of many investors. While foreign direct investment (FDI) is down worldwide for the third straight year, Africa received \$46bn in FDI in 2018, up 11 percent from 2017, according to figures from the United Nations. **The US hopes its new agency will counter China's investment influence on the continent.**

Last fall, Chinese President Xi Jinping pledged \$60bn in financial aid to Africa and promised to write off debt for the country's poorer nations. China has been Africa's biggest trading partner over the past decade, but Beijing's "debt-laden approach" to development on the continent has been criticised. In contrast to China's infrastructure-centric, government-to-government financing, DFC focuses on **"private-sector-led development"**.

##### 'Will it work?'

"Africa is elevated only in the context of competition with China," Hruby said. **"So I don't necessarily think that the Trump administration cares about African countries on their own merits, but rather as a field of competition for influence and economic opportunity with China."** And although the investment from the US government will soon be there, it's unclear how many US businesses will take DFC up on its offer.

*6. Since the establishment of diplomatic relations between China and the United States, the question of Taiwan has always been the most sensitive and central question in the bilateral relations. Since Trump won the presidential election, the Taiwan question has been repeatedly used by the United States just like a chess piece to contain China. The*

*U.S. Congress passed Taiwan Travel Act and the Defense Authorization Act that allow its higher-level officials to visit Taiwan and mutual port visits of each other's warships. The exchanges between the United States and Taiwan have repeatedly broken the set restrictions. Does this imply that the United States under the Trump Administration will violate its commitments in the three China-US joint communiques and the "One-China" Principle, and further develop its relations with the Taiwan authorities? Has the United States ever considered using Taiwan as a bargaining chip in the China-US trade war for exchanging interests with China? Since Tsai Ing-wen came to power, some African and Latin American countries which had so-called "diplomatic relations" with Taiwan authorities have broken off the so-called "diplomatic relations" with Taiwan and established diplomatic relations with China. However, the U.S. opposes these countries for their establishment of diplomatic relations with China although the U.S. has diplomatic relations with China, and the U.S. has even openly exerted pressure on these countries. What is the purpose of the United States? And has this brought the suspicion or not that the U.S. interferes with other country's domestic affairs and the U.S. is practising double standards in dealing with international affairs?*

## Background

### ✧ CNBC:

As the United States and China remain deadlocked in a deepening dispute over trade and technology, some experts say Taiwan's value as a bargaining chip has increased.

The self-governed island — which Beijing deems to be a renegade Chinese province — is **one of many flashpoints in the rivalry** between the world's two superpowers.

Taiwan has always been a "chess piece" that Washington can play with in U.S.-China relations, said Zhiqun Zhu, a professor of political science and international relations at Bucknell University. **"Taiwan's value to the U.S. will only increase as tensions between the U.S. and China escalate."**

Bonnie Glaser, senior advisor for Asia at Washington-based think tank CSIS, told CNBC that the U.S. dealing Taiwan as a "card" is a new factor in the overall dynamic of the trilateral relationship that "really did not exist" before U.S. President Donald Trump came into power.

Grossman said that if the incumbent Taiwanese president Tsai Ing-Wen is re-elected, cross-strait tensions are likely to escalate further from 2020 to 2024. Glaser from CSIS echoed that sentiment, adding that if a candidate from the independence-leaning Democratic Progressive Party was elected, China would ratchet up military, diplomatic and economic pressure.

"I think the Chinese would be worried that there's always this potential for things



to go in a very negative direction because the combination of Trump being president and the possibility that Tsai gets re-elected ... could really embolden Tsai to move toward the direction of independence," she added.

✧ **China Daily:**

By approving the potential sale of arms worth \$2.2 billion to Taiwan, the US State Department has not only further strained cross-Straits relations, it is also trying Beijing's patience. And by passing a series of acts and resolutions related to Taiwan this year, the US Congress has dealt a serious blow to Sino-US relations, as well as undermined peace and stability across the Straits.

The US House of Representatives enacted the **Taiwan Assurance Act of 2019** and passed a resolution reaffirming the US' commitment to Taiwan on May 7, which essentially means the US would sell arms to the island regularly and back its participation in international organizations.

**That the US has continued to meddle in Taiwan affairs shows it is desperate to use the "Taiwan card" to contain the Chinese mainland.**

The US believes that by consolidating its relationship with Taiwan authorities through acts and resolutions, it can further integrate the island into its "Indo-Pacific" strategy to contain the mainland, the biggest rival in Washington's eyes thanks, in part, to the trade disputes between them.

✧ **Renmin Website:**

**The US is deploying a double standard by calling China's proposed sanctions on US companies for arms sales to Taiwan a "foolish action,"** Chinese mainland analysts said on Sunday, pointing out that the sanctions could not only cut base material supply to these companies including rare earths but also block their non-military products from entering Chinese markets.

✧ **Too Many Foreign Policy Double Standards Hurt U.S. Credibility**

**By Ted Galen Carpenter**

American leaders like to portray the United States as an exemplar of ethical conduct in the international system. The reality is far different, and it has been for decades. Throughout the Cold War, the United States embraced extremely repressive rulers, including the Shah of Iran, Nicaragua's Somoza family, Taiwan's Chiang Kai-shek, and Egypt's Hosni Mubarak, all the while portraying them as noble members of the "Free World." Such blatant hypocrisy and double standards continue today regarding both Washington's own dubious behavior and the U.S. attitude toward the behavior of favored allies and friends.

✧ **America's Taiwan Policy: Stop Beating around the Bush**

Washington's hidden position on Taiwan makes the U.S. government appear

strangely conflicted.

CNN became the latest among scores of news organizations in recent years to err in describing Washington's Taiwan policy. In a piece on the military drills off Fujian, CNN originally stated: "Officially, Washington acknowledges Taiwan is part of mainland China under the Communist Party's 'One China' policy." **In reality, the United States acknowledges that Beijing claims Taiwan, but does not recognize that claim. The official U.S. position is that the status of Taiwan remains undetermined, and that Taiwan is not currently part of China.** The Communist Party's One China principle plays no role in the United States' one China policy.

*7. Recently, the situation in Hong Kong has attracted worldwide attention. China claims to have got evidence that the United States has interfered in the situation in Hong Kong and supported the riots. How does the United States respond to this? Does the United States regard Hong Kong as a chess piece to win the China-US trade war and to contain China, just like that of Taiwan? In an interview, President Trump defined Hong Kong's chaos as "riots" and called it a matter between China (Chinese Central Government) and Hong Kong, which should be handled by China itself. Does this represent Trump's personal view or the official view of the U.S. government?*

#### **Background:**

Lawmakers and government officials across Washington, including some of President Donald Trump's top advisers, are growing increasingly alarmed about the unrest in Hong Kong. One person, however, seems less concerned than most: Trump.

That Trump is commander in chief makes the U.S. approach all the more unpredictable because, unlike most presidents, he has shown fondness for authoritarian leaders and little interest in promoting human rights or democracy.

Trump has so far stayed relatively blasé about the Asian crisis, telling reporters on Tuesday: "The Hong Kong thing is a very tough situation. I hope it works out peacefully. I hope nobody gets hurt. I hope nobody gets killed."

At the White House, however, aides to Trump, including his economic advisers, are watching events closely and worry that it could spiral out of control, according to a current and a former White House official. It's not clear what, if anything, Trump wants to do in response, the sources said.

An administration official said the Hong Kong crisis was increasingly reminiscent of another infamous case in Chinese history when democracy activists were violently crushed. **"It's about as close to Tiananmen Square,** potentially, that you're going to get in the modern age," the official said of the protests that took place 30 years



ago. The official acknowledged that Trump appears less interested in the matter than the trade negotiations with China. But he said aides around the president were used to the way he prioritizes such things.

"I'm confident that no one at the top levels feels that he's said anything they're aware of to make them think he's going to prohibit any sort of course of action," he added.

Top American lawmakers, meanwhile, are increasingly speaking out against Beijing, underscoring the growing — and bipartisan — anti-Chinese sentiment in the U.S. capital.

House Speaker **Nancy Pelosi** last week promised to **push forward legislation that would penalize Chinese officials who infringe on Hong Kong's autonomy**. In her statement, the California Democrat praised the "courage" of the protesters standing up to "a cowardly government that refuses to respect the rule of law."

At least one other Democratic presidential contender, former Vice President Joe Biden, has expressed support for the protesters, saying in June, "All of us must stand in support of democratic principles and freedom."

To date, Trump has said relatively little on the Hong Kong crisis, sparking criticism that he is more worried about getting a trade deal with China than supporting movements for democracy.

Still, his laconic approach hasn't stopped China from linking the U.S. to the chaos. China's Foreign Ministry on Monday once again leveled accusations that American officials are encouraging the "rabble-rousers in Hong Kong." Beijing had earlier claimed that the "black hand" of the CIA was involved.

Separate from his remarks to reporters, Trump tweeted about the issue on Tuesday, deflecting China's allegations. "**Many are blaming me, and the United States, for the problems going on in Hong Kong. I can't imagine why?**" he tweeted. At one point he also tweeted: "Our Intelligence has informed us that the Chinese Government is moving troops to the Border with Hong Kong. Everyone should be calm and safe!"

Secretary of State Mike Pompeo and the State Department as a whole have taken a sharper approach to the topic of Hong Kong, although Pompeo — as always — is careful not to get too far ahead of Trump.

**On Tuesday, Pompeo met with Yang Jiechi, a high-ranking Chinese Communist Party official who deals with foreign affairs. The State Department readout of the meeting was a terse single sentence that said the pair "had an extended**

exchange of views on U.S.-China relations.”

✧ **James Carafano: What Hong Kong unrest tells us about China's plans for the rest of the world**

The protests also tell us a lot about mainland China. There is one strain of thought that Beijing, **while quite happy to bully Hong Kong, would not be so rash as to put down the protests with harsh military action.** That kind of response repulsed the world when the Soviets did it, ultimately leading to the break-up of the USSR.

Yet many observers fear that Beijing will step in and crackdown on the demonstrators. After all, they note, **the USSR's demise didn't stop the People's Army from rolling tanks into Tiananmen Square.**

There is no question that Beijing is waging a war on nerves. Last month, it assembled troops and equipment along the border with Hong Kong. They've also begun airing footage of troops training for suppressing riots in urban settings.

This all speaks volumes about the callous cynicism with which the Chinese government treats its own people. **The Hong Kong police are already doing Beijing's dirty work for them (helped, to be fair, by protestors and agitators who have crossed the line and become violent or destructive).**

As long as “pro-democracy” demonstrations don't spread to the mainland cities, Beijing might not be too concerned to see Hong Kong's stature as a stable and dependable place to do business diminished. Hong Kong just doesn't mean near as much to the Chinese economy as it did 20 years ago. Besides, the Chinese would rather see investment flow to mainland cities like Guangzhou and Shanghai that are more firmly under the regime's control. As for the welfare and future of the people of Hong Kong, that is the last thing Beijing cares about.

**Nothing reflects the contemptuous attitude of the Chinese more than its prosperous propaganda claim that the Hong Kong demonstrations were engineered by the CIA.** They know no right-thinking person in the world would believe this, but they don't care. They know that the people of China will accept this explanation (after all, they'll hear no other), and that's all they want.

*8. With the worsening of the China-US trade war, the cultural and academic exchanges between the two countries have also been affected. The United States restricted Chinese scholars, researchers and even students to go to the United States for exchanges. Do these restrictions meet the expectations by Washington? Do most American people in the U.S. support the idea of extending the political and economic disputes between the two countries to the humanities and academic fields? Against the backdrop of the deteriorating China-US relations, what roles can the two countries'*



*unofficial and non-governmental exchanges play in the development of the bilateral relations? Specifically, what roles will the exchanges between the two countries' think tanks play in the development of the bilateral relations?*

## Background

The U.S. last year **shortened the duration of visas** for Chinese graduate students in certain science, technology, engineering and mathematics (STEM) fields **from five years to one year**, and Chinese-U.S. research collaborations have become the focus of intensified scrutiny from the White House, members of Congress, scientific funding agencies and national security agencies, all of which have raised concerns about the risk of espionage and intellectual property theft posed by Chinese students and scholars.

Outside the STEM fields, the US. has reportedly **canceled visas for a number of Chinese professors affiliated with the state-run Chinese Academy of Social Sciences**. And many colleges have closed their Confucius Institutes -- Chinese government-funded centers for language education and cultural programming - - amid growing criticism from U.S. lawmakers who argue that the institutes serve as platforms for Chinese propaganda. The defense spending act passed into law last year bars colleges that receive Defense Department funding for Chinese language study from also hosting Confucius Institutes, a restriction that has contributed to the spate of closures.

Fortunately, most US campuses in China are not encountering serious difficulties. One exception is **the relationship between Cornell University and Renmin University of China in the field of industrial and labour relations**. Cornell apparently has decided to withdraw from that relationship because of issues surrounding academic freedom.

At the US-China University Presidents Forum held at Columbia University on 27 September 2017, **Henry Kissinger**, the architect of US-China relations that led to normalisation in 1979, said that **the only alternative to positive relations between Washington and Beijing was global disorder**.

At that meeting, China's then vice-premier Liu Yandong said that China and the United States should enhance people-to-people exchanges to build stronger ties where the two countries have the least disagreements and the most consensus.

At present, universities in both countries may not be able to eliminate the trade distortions and confrontations that currently occupy the attention of the Trump and Xi Jinping administrations, but there is much they can do to keep US-China relations on an even keel as the relationship reconfigures itself to better reflect current political and economic realities.

Students from both countries will eventually become future leaders in government, business and academia; hopefully, greater mutual understanding developed through cooperative learning and cross-cultural exchange will help to soften some of the current mistrust and pave the way for more reasoned and balanced conversations in the years ahead.

*9. There is a saying that if you regard others as enemies, they will probably become your enemy. Does the United States really want China to be an enemy? Do you really want to be a foe against a nuclear power with a population accounting for one fifth of the world's population? How big cost will the United States get prepared to pay for this? Have American policymakers seriously considered on this?*

### Background

✧ **Edward Goldberg (a professor of international political economy at New York University's Center for Global Affairs):**

**Is China a competitor of the United States or an enemy?** This is a key distinction. It is the most important geopolitical question of our time. In a high-tech knowledge-based world, competitors are a positive, forcing a company or a country to step up their game, just like Android/Google did against Apple. But in a Trump-based twitter/ black and white world, competitors are easily interpreted as enemies with all the danger that implies. And this is especially true when you need an enemy, when the economy might be slowing and an election approaching.

**China is not an ideological enemy as was the Soviet Union or Nazi Germany.** And China never attacked American sovereignty as Russia did in the election of 2016. And historically China has never been territorially aggressive outside its own realm.

Of course, if China is a competitor then America should be working 24/7 just like Android against Apple to improve itself. If Trump is really serious about competing with China then we should double down on basic research, fund infrastructure and triple-fund education.

One thing is very clear, when America is competitively challenged, especially in the age of human capital, it is impossible to beat. Our meritocracy, when shaken together with the melting pot of immigration and stirred with our culture of intellectual freedom, is the unbeatable formula in the age of knowledge. No other nation is so well suited.

However, if we mismanage the China relationship, see China as an enemy and not a competitor, then **a full-scale cold war will for sure begin, and a hot one that would begin with a series of proxy wars could easily follow.**

✧ **Debate: China and the U.S. Are Long-term Enemies**



**Pro:** Peter Brookes – Sr. Fellow, The Heritage Foundation; John J. Mearsheimer – American Political Scientist & Professor, University of Chicago

- Conflict is inevitable as China challenges America as the dominant power in Asia, a role America is unlikely to cede any time soon.
- Land reclamation in the South China Sea, cyber-attacks, and a growing military budget point to a more aggressive, less reactive China.
- Despite its economic and military strength, China has not become a responsible global stakeholder, instead choosing to free-ride on the existing international order while pursuing its own interests.

**Against:** Robert Daly – Director, Kissinger Institute on China & the U.S.; Kevin Rudd – Former Prime Minister, Australia

- It is in the vital interests of both countries to work together and collaborate on shared interests like nuclear containment, climate change, and trade.
- We should not automatically interpret China's behavior as aggression; their foreign policy has long been guided by the principles of sovereignty and non-intervention.
- By treating China with hostility and working to isolate and diminish it, this predicted adversarial relationship will become a self-fulfilling prophecy.

✧ **Jeffrey Sachs** (professor and director of the Center for Sustainable Development at Columbia University).

China is not an enemy. It is a nation trying to raise its living standards through education, international trade, infrastructure investment, and improved technologies. **In short, it is doing what any country should do when confronted with the historical reality of being poor and far behind more powerful countries.** Yet the Trump administration is now aiming to stop China's development, which could prove to be disastrous for both the United States and the entire world.

China is being made a scapegoat for rising inequality in the United States. While US trade relations with China have been mutually beneficial over the years, some US workers have been left behind, notably Midwestern factory workers facing competition due to rising productivity and comparatively low (though rising) labor costs in China. Instead of blaming China for this normal phenomenon of market competition, we should be taxing the soaring corporate profits of our own multinational corporations and using the revenues to help working-class households, rebuild crumbling infrastructure, promote new job skills and invest in cutting-edge science and technology.

We should understand that China is merely trying to make up for lost time after a very long period of geopolitical setbacks and related economic failures. Here is important historical background that is useful to understand China's economic development in the past 40 years.



美方可能询问问题：

**Charhar Institute - Possible Topics for U.S. Delegation to Ask:**

1. 7月30至31日,第十二轮中美经贸磋商在上海举行,然而,谈判刚结束,特朗普就推特发文,表示美方将对3000亿美元中国输美商品加征10%关税。面对美方的关税威胁,中方是否将加征报复性关税?如何看待中美两国经贸合作及两国关系未来的走向?  
U.S. and Chinese negotiators wrapped up a brief round of trade talks at Shanghai on 30th-31st July, 2019. However, Trump tweeted "The U.S. will start, on September 1st, putting a small additional Tariff of 10% on the remaining 300 Billion Dollars of goods and products coming from China into our Country," just after the U.S. and China restarted trade talks in Shanghai this week. In the face of the US tariff threat, will China impose retaliatory tariffs? What's the trend of US-China economic cooperation and relationship between the two states?
2. 继中国商务部5月底宣布建立“不可靠实体清单制度”以后,国家发展改革委员会6月初宣布研究建立“国家技术安全管理清单制度”。建立国家技术安全管理清单制度”是否与中美经贸摩擦有关?这是否会影响外资企业在中国的投资及发展信心?  
National Development and Reform Commission of PRC declared to establish a national technology safety management mechanism after Ministry of Commerce introduced a list of unreliable entities in the end of May. Is there any connection between establishing the mechanism and the US-China trade friction? Will this affect foreign investment in China and foreign enterprises' confidence on doing business in China?
3. 第二届“一带一路”高峰论坛4月25日至27日举行,来自37个国家的领导人和150多个国家的代表参加了论坛。虽然与BRI相关的支出估计高达8万亿美元,但观察表明,中国承诺提供1万亿美元以外的基础设施也尚未实现。据中国官方报道,已有超过125个国家签署了BRI合作文件。一带一路实施至今效果如何,达到原先的目的了吗?



President Xi Jinping welcomed leaders from 37 countries and delegates from over 150 countries at the second Belt and Road forum in Beijing on April 25-27, 2019. Guesstimates for BRI-related spending have ranged as high as \$8 trillion, but a closer look suggests that even China's promise to provide \$1 trillion of infrastructure beyond its borders has not yet been met. Over 125 countries have signed BRI cooperation documents according to Chinese state media. How effective has the BRI been so far? Has BRI achieved its original purpose?

4. 是否承认“九段线”意味着美国已经承认中国对于这片广大海域的主权，并且只有在中方允许下，船只才有权穿过这片海域？中方主张并不会妨碍商用船只在南海的自由航行权。然而却坚决反对军舰的自由航行。您认为，中国宣布限制在美国看来不属于中国领土的国际公海上的船只航行，是基于怎样的认知？

Would recognizing the nine-dash line mean that Chinese claims over this vast maritime area was acknowledged, and that it could only traverse the area with China's permission? China asserts that it does not oppose freedom of navigation in the South China Sea, as long as the navigation is commercial in nature. It does, however, oppose navigation by military vessels. On what basis does China purport to restrict such navigation in waters that the United States believes are international and not within China's territory?

5. 6月30日下午，美国总统特朗普抵达朝鲜非军事区板门店，同朝鲜最高领导人金正恩举行会面。这是美国现任总统首次踏上朝鲜领土，同时也是朝美韩三国领导人首次聚首。朝鲜半岛的问题是否可以顺利进展，这对中美关系会产生怎样的影响？最近有几次朝鲜发出朝鲜又发射了不明飞行物。中方对此有何评论？

On the afternoon of 30th June, 2010, President Trump became the first sitting American commander in chief to set foot in North Korea as he met Kim Jong-un, the country's leader, at the heavily fortified Demilitarized Zone, and the two agreed to restart negotiations on a long-elusive nuclear agreement. Do you think that Korean Peninsula issues has a promising future? And what differences will it make on the Sino-US relationship? North Korea launched several unidentified projectiles recently. What's China's opinion on this?